

## Message Text

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ACTION PM-04

INFO OCT-01 ARA-06 ISO-00 CIAE-00 INR-07 NSAE-00 DODE-00

SS-15 SP-02 OMB-01 L-03 IGA-02 /041 W

----- 003014

R 041249Z AUG 76

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 4239

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E.O. 11652: N/A

TAGS: MASS, VE

SUBJECT: POLICY RE USE OF FMS CREDIT FUNDS

REF: STATE 183637, CARACAS 8860, 75 CARACAS 12401, STATE 36160

1. EMBASSY APPRECIATES DEPARTMENT BACKGROUND INFORMATION  
CONTAINED STATE 183637.

2. REF PARA 2 B, STATE 183637: GOV CAN PRODUCTIVELY USE  
APPROXIMATELY \$520,000 FOR REGIONAL TRAINING DURING FY 77.  
DETAILED COURSE PROGRAMS FOR USARSA AND IAAFA WILL BE FORWARDED  
BY LETTER, IF REQUIRED.

3. IN REGARD TO THE QUESTION OF THE VENEZUELAN MILITARY'S BUDGET  
CYCLE, THE PRACTICAL IMPACT OF THE PASSAGE OF THE FOREIGN MILITARY  
ASSISTANCE LEGISLATION AS PERCEIVED BY THE GOV AND THE MOD IS THE  
SUDDEN AND DRAMATIC CESSATION OF MAP-TRAINING. ALTHOUGH IT HAS  
BEEN SIX MONTHS SINCE HOUSE COMMITTEE ACTION, AND IN FACT, LOCAL  
NEWSPAPERS CARRIED NEWS ITEMS ABOUT POTENTIAL MAP-T LOSSES  
AS EARLY AS NOVEMBER 1975 (75 CARACAS 12401), SPECIFIC  
DEPARTMENT GUIDANCE PROHIBITED DISCUSSION OF FY 77 PROGRAM  
LEVELS WITH HOST COUNTRY IN TIME TO ALLOW VENEZUELA TO REACT  
WITHIN ITS BUDGETARY CYCLE (STATE 36160). THIS IS DUE TO THE  
FACT THAT INDIVIDUAL SERVICE MILITARY BUDGET PLANNING FOR FOL-  
LOWING- CALENDAR YEAR BEGINS ABOUT OCTOBER 1. BUDGETS ARE SUBMITTED  
TO MOD IN MID-NOVEMBER WITH APPROVAL NORMALLY FORTHCOMING IN MID-  
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DECEMBER. SERVICES THEN BEGIN TO DRAW DOWN EXPENDITURES FROM

BUDGET

BEGINNING WITH CY. GIVEN THIS CYCLE, THE VENEZUELAN MILITARY HAS HAD NO OPPORTUNITY TO MAKE BUDGETARY ADJUSTMENTS FOR TRAINING SINCE THE PASSAGE OF HR 13680, EVEN IF THEY HAD BEEN NOTIFIED EARLIER IN THIS CURRENT CY.

4. THE BASIS OF OUR PROBLEM WITH THE MOD IS THAT WHEN FMS CREDIT WAS OFFERED TO GOV IN JUNE 1976, IT APPEARED THAT GIVEN THE AUTHORITY FOR SUCH CREDIT, WE WOULD HAVE BEEN ABLE TO DEVISE AN ALTERNATIVE TO CUTTING OFF TRAINING CAUSED BY CESSATION OF MAP-T WHICH MIGHT BE ATTRACTIVE TO THE MOD, VIZ., USE OF CREDIT FUNDS. IN ANY CASE, THE ONUS FOR DROPPING TRAINING WOULD BE THEIRS, NOT OURS. REGIONAL TRAINING CAN MEET ONLY A PORTION OF MOD'S TOTAL TRAINING REQUIREMENTS. TRAINING AT MANAGERIAL LEVEL, PROFESSIONAL SCHOOLS AND TRAINING RELATED TO MODERN EQUIPMENT HAS NORMALLY BEEN ACCOMPLISHED IN THE U.S. BENEFITS TO U.S. FROM SUCH CONUS TRAINING ARE NUMEROUS AND HAVE BEEN SUCCINCTLY ADDRESSED IN CARACAS 8693. WE NEED A POLICY DECISION TO AUTHORIZE GOV TO USE ITS CREDIT FUNDS FOR THIS TYPE OF TRAINING. SPECIFIC DOLLAR AMOUNTS ARE DIFFICULT TO PREDICT BECAUSE WE DO NOT KNOW HOW MUCH CREDIT MONEY VENEZUELA WOULD ALLOCATE FOR TRAINING.

5. COMMENT: WE ARE PLEASED TO LEARN THAT DEPARTMENT IS CONSIDERING POSSIBLE ACTION DURING FY 77 TO PROVIDE SOME IMETP TO MAINTAIN AN ORDERLY PHASE-OUT. IN MEANTIME, HOWEVER, I WISH TO GO ON RECORD THAT I SHARE VIEWS OF COUNTRY TEAM EXPRESSED IN CARACAS 8693 THAT MILITARY TRAINING IS USEFUL TOOL. I REALIZE THAT OUR REQUEST REQUIRES HIGH LEVEL COORDINATION, HOWEVER I NEED GUIDANCE ASAP SO THAT DISCUSSIONS WITH MOD CAN PROCEED ON THIS ISSUE.  
VAKY

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, MILITARY ASSISTANCE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 04 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976CARACA09415  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760301-0112  
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**Handling Restrictions:** n/a  
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**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION PM  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 STATE 183637, 76 CARACAS 8860, 75 CARACAS 12401, 76 STATE 36160  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21 JUL 2004 by ElyME>; APPROVED <21 JUL 2004 by ShawDG>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** POLICY RE USE OF FMS CREDIT FUNDS  
**TAGS:** MASS, VE, US  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006